



TOWN OF ACTON
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Walter M. Foster, Chairman
Board of Selectmen

January 6, 2004

Ms. Catherine Racer
Soft Second Loan Program
Department of Housing & Community Development
One Congress Street-10th Floor
Boston, MA 02114

Dear Ms. Racer:

The Town of Acton is submitting a Letter of Interest for the Soft Second Loan Program's second round of funding. During the next six months the Town anticipates three or four "Affordable Units" that were developed under a 40B project to become available for purchase by low and moderate income First Time Homebuyers. The pricing of the "Affordable" units will be \$140,000 for two bedrooms and \$170,000 for three bedrooms and they will be sold to First Time Homebuyers whose incomes are no higher than \$64,640 and no less than \$31,500. During this round of funding (January through June) based on past experience it is anticipated that the three or four First Time Homebuyers will access \$50,000 (4 x \$12,500 = \$50,000) of Soft Second Loan monies.

In recent years the Town's Board, Acton Community Housing Corporation (ACHC), charged with developing affordable housing has successfully provided homes to sixteen First Time Homebuyers under the Department of Housing and Community Development's (DHCD) Local Initiative Program (LIP). Three of the sixteen homes were sold to eligible income clients of the Acton Housing Authority. The Town has worked closely with the developers of the LIP homes by assisting in the marketing and lottery process. Recently the Town successfully negotiated with a private developer the donation of \$300,000 to the Acton Housing Authority for the purchase of two condominiums for the Authority's family housing program. The Town also negotiated three rental units for low income eligible applicants in an assisted living facility. The application and lottery process was successfully held and eligible low income elderly applicants have filled the three assisted rental units. Acton has received certification under Executive Order 418 for FY 2002, 2003 and will be submitting another application in June for FY 2004.

Enclosed please find letters of commitment from Community National Bank, Fleet Bank, Cambridge Savings Bank and the Citizens Bank stating their willingness to work with the Town in providing the Soft Second Loan Program. The Town of Acton has been in the forefront of developing affordable housing to low and moderate income homebuyers since 1986 and with DHCD's favorable review of the Town's Letter of Interest prospective low income homebuyers will be able to purchase a home. The Soft Second Loan program will be marketed to prospective First Time Homebuyers through an information packet which will be sent to interested First Time Homebuyers. Currently the ACHC maintains a waiting list of over 150 interested First Time Homebuyers.

Should you have any questions or need additional information please contact the Clerk of the ACHC, Betty McManus at (978) 263-4776.

Sincerely,

Walter M. Foster, Chairman
Acton Board of Selectmen

cc: Gina Govoni, Massachusetts Housing Partnership